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# Congress of the United States

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### SUBCOMMITTEE ON FEDERALISM AND THE CENSUS

Congressman Michael R. Turner, Chairman



### OVERSIGHT HEARING

### STATEMENT BY MICHAEL R. TURNER, CHAIRMAN

**Hearing Topic:** *"The New York City Experience: How has the Community Development Block Grant Program Shaped the Big Apple?"*

**Monday, July 25, 2005**

**Approximately 10:00 a.m. – 10:30 a.m.**

**Thurgood Marshall Academy  
200-214 West 135 Street, 6th Floor  
(at Adam Clayton Powell Boulevard)**

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### OPENING STATEMENT

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Welcome to the Subcommittee on Federalism and the Census' field hearing entitled *"The New York City Experience: How has the Community Development Block Grant Program Shaped the Big Apple?"* This is a follow up to three hearings the Subcommittee has held in Washington, D.C. and the second field hearing it has held on the topic of CDBG. As a former mayor, I understand that in order to comprehend the benefits and shortcomings of national programs, one should go to where the real action takes place. Field hearings allow us to do just that, to reach out to you and hear your views, your concerns and your suggestions.

CDBG is one of the largest federal direct block grant programs currently in existence for use by local governments. State and local governments use CDBG grant monies to fund various housing, community development, neighborhood revitalization, economic development, and public service provision projects. For over thirty years, the CDBG program has been a critical tool in the arsenal of cities to help create livable communities for individuals and families. Without question, the program provides vital funds for addressing poverty and other community development needs. That is why I have worked hard this year – along with my colleagues in Congress – to ensure that the CDBG program continues to receive a funding level similar to previous fiscal years.

Nevertheless, in recent months, the effectiveness of the program has been called into question. Much of this scrutiny has been related to the mechanisms used for delivering CDBG funds to grantees and whether those grantees have ultimately spent those funds in the most effective way. For this reason, the Subcommittee has come here to Harlem to hear how you – elected officials and community leaders at the local level – have used these funds and how your citizens have benefited from the CDBG program. We are interested in learning from you what works in the program and what does not.

I am very pleased with the response to this hearing especially from the number and quality of witnesses seeking to testify today. It is this kind of response that makes it great to be back in New York City – especially here Harlem.

On two occasions last year, I had the opportunity to visit this great community. The first was with Congressman Chris Shays as part of a Community Development tour organized by Living Cities to see the success of their programs. On my second visit to Harlem, we had the opportunity to tour the Youth Build USA Headquarters. On both occasions, I could not have been more impressed by the work of these organizations in this community. It is because of this past experience and the presence of our distinguished panelists today that I am excited about this hearing. I know that it will be a tremendous success.

With that said, I would like to express my appreciation to the City of New York, Mayor Bloomberg, and the Thurgood Marshall Academy for hosting us today. I would also thank my friend and colleague, Congresswoman Carolyn Maloney, for her help in bringing this hearing to New York. I would also like to thank the distinguished gentleman who represents Harlem in Congress, the Honorable Charles Rangel, for his help in making sure that we have a successful hearing today and his lifelong commitment to the Harlem community.

We have three panels of witnesses before the Subcommittee to help us understand how the CDBG program has benefited New York City as well as what can be done better in the future.

Our first panel consists of the distinguished Mayor of this great city, Michael Bloomberg.

Our second panel of witnesses consists of four representatives from the New York City development community. They are: F. Carlisle Towery, President of the Greater Jamaica Development Corporation; Ms. Ronay Menschel, Chairman of the Board of the Phipps Houses;

Mark Willis, Executive Vice-President of Community Development Programs at JPMorgan Chase; and Andrew Reicher, Executive Director of the Urban Homesteading Assistance Board.

Finally, on our last panel we have three distinguished witnesses: Rev. Dr. Calvin O. Butts, III; Pastor at the Abyssinian Baptist Church; Mr. Chris Kui, Executive Director of Asian Americans for Equality; and Dr. Ingrid Gould Ellen, Associate Professor of Public Policy and Urban Planning at the New York University Furman Center for Real Estate.

I look forward to the expert testimony our distinguished panel of leaders will provide today. Thank you all for your time today and welcome.

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**Subcommittee on Federalism and the Census**  
***“The New York City Experience: How has the Community Development Block Grant Program Shaped the Big Apple?”***

**July 25, 2005**